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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re : **Chapter 11 Case No.**
LEHMAN BROTHERS HOLDINGS INC., et al., : **08-13555 (JMP)**
Debtors. : **(Jointly Administered)**
: :
-----X

**NOTICE OF SETTLEMENT OF PROPOSED ORDER DENYING MOTION OF
HOWARD W. TOMLINSON FOR ORDER LIFTING THE AUTOMATIC STAY**

PLEASE TAKE NOTICE that the undersigned will present the annexed proposed order filed on March 31, 2009 (the “Proposed Order”), to the Honorable James M. Peck, United States Bankruptcy Judge, for signature on **April 6, 2009 at 12:00 p.m. (Prevailing Eastern Time)**. The Proposed Order.

PLEASE TAKE FURTHER NOTICE that, objections, if any, to the relief requested in the Proposed Order must comply with the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”) and the Local Rules of the United States Bankruptcy Court for the Southern District of New York, must be set forth in a writing describing the basis therefor and must be filed with the Court electronically in accordance with General Orders M-182 and M-193 by registered users of the Court’s electronic case filing system (the User’s Manual for the

Electronic Case Filing System can be found at <http://www.nysb.uscourts.gov>, the official website of the Bankruptcy Court) and, by all other parties in interest, on a 3½ inch disk, preferably in Portable Document Format (PDF), WordPerfect or any other Windows-based word processing format (with a hard copy delivered directly to Chambers (as defined below)) and served in accordance with General Order M-182 or by first-class mail upon each of the following: (i) the chambers of the Honorable James M. Peck, One Bowling Green, New York, New York 10004, Courtroom 601; (ii) Weil Gotshal & Manges LLP, 767 Fifth Avenue, New York, New York 10153, (Attn: Diane Harvey, Esq. and John W. Lucas, Esq.), attorneys for the Debtors; (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004 (Attn: Andy Velez-Rivera, Esq., Paul Schwartzberg, Esq., Brian Masumoto, Esq., Linda Riffkin, Esq., and Tracy Hope Davis, Esq.); (iv) Milbank, Tweed, Hadley & McCloy LLP, 1 Chase Manhattan Plaza, New York, New York 10005, (Attn: Dennis F. Dunne, Esq., Dennis O'Donnell, Esq., and Evan Fleck, Esq.), attorneys for the Official Committee of Unsecured Creditors, and (v) Cone & Kilbourn, 83 South Bedford Road, Mount Kisco, NY 10549 (Attn: Joseph A. Kilbourn, Esq.), so as to be filed and received by no later than **11:30 a.m. (Prevailing Eastern Time) on April 6, 2009.**

PLEASE TAKE FURTHER NOTICE that only if a written objection is timely filed and served, a hearing will be held on **April 7, 2009, at 10:00 a.m. (Prevailing Eastern Time)** at the United States Bankruptcy Court for the Southern District of New York, Honorable James M. Peck, United States Bankruptcy Judge, One Bowling Green, New York, New York 10004-1408. If an objection is filed the moving and objecting parties are required to attend the hearing, and failure to appear may result in relief being granted or denied upon default.

Dated: March 31, 2009
New York, New York

/s/ Diane Harvey
Diane Harvey
Jacqueline Marcus

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Debtors. : (Jointly Administered)
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**ORDER DENYING MOTION OF
HOWARD W. TOMLINSON FOR AN ORDER LIFTING THE AUTOMATIC STAY**

Upon the motion, dated February 27, 2009 (the “Motion”), of Howard W. Tomlinson, for an order, pursuant to section 362(a) of title 11 of the United States Code (the “Bankruptcy Code”), lifting or modifying the automatic stay, all as more fully described in the Motion; and the Court having jurisdiction to consider the Motion and the relief requested therein in accordance with 28 U.S.C. §§ 157 and 1334 and the Standing Order M-61 Referring to Bankruptcy Judges for the Southern District of New York Any and All Proceedings Under Title 11, dated July 10, 1984 (Ward, Acting C.J.); and consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b); and upon the objection, dated March 20, 2009 (the “Objection”), of BNC Mortgage LLC (“BNC”) and its affiliated debtors in the above-referenced chapter 11 cases, as debtors and debtors-in-possession (collectively, the “Debtors” and, together with their non-debtor affiliates, “Lehman”); and a hearing having been held on March 25, 2009 to consider the relief requested in the Motion (the “Hearing”); and upon all of the proceedings had before the Court; and on the record of the Hearing, the Court having (i) found that the application of the *Sonnax* factors to the Motion

weigh in favor of not granting stay relief and (ii) adopted the reasoning in BNC's Objection; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED that the Motion is denied.

Dated: April __, 2009
New York, New York

UNITED STATES BANKRUPTCY JUDGE